

A.T.&T. MONITORED MILLIONS OF CALLS

Recorded Some in 1965-70

Bid to Curb Toll Fraud

—Sees No Illegality

NYT 2/3/75

By The Associated Press

The American Telephone and Telegraph Company said yesterday that it monitored millions of long-distance calls between 1965 and 1970 as part of a campaign to stop cheating on toll charges.

"I don't think we did anything illegal," said a spokesman, William Mullane, about the voice recordings, first reported by The St. Louis Post-Dispatch.

"We believe that what we did was necessary to protect the integrity of our network and to keep people from cheating," he said.

Mr. Mullane said that some calls originating in New York, Los Angeles, Detroit, Miami, St. Louis and Newark had been monitored but that he could not confirm the newspaper's figure of 1.5 million calls recorded and sent here for analysis.

He said, however, that about 500 fraudulent calls were dis-

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A.T.&T. Monitored Millions of Toll Calls

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covered during the five-year-long operation.

Mr. Mullane said the company had been plagued by people using an electronic "blue box" that bypassed A.T. & T. billing systems and cut directly into the switching equipment, thereby completing free calls.

"Obviously we can't just say how the box worked or everyone would go out and make their own," he said.

90-Second Segments

To check, he said, the company made its random samplings and recorded 90-second segments of calls that appeared to be going through a "blue box." These were sent to fraud specialists.

Mr. Mullane added that the policy of intercepting payment-evasive calls had "been upheld in the courts. Such calls are illegal and since calls are our only property we have the right to intercept them."

Since termination of the

monitoring policy, he said, a new electronic system times calls and bills customers.

Figure Put at 30 Million

Special to The New York Times

ST. LOUIS, Feb. 2—In several hundred thousand instances, entire conversations were recorded in calls that later were determined to be free of fraud, The Post-Dispatch said in its report today.

According to the article, more than 30 million calls were monitored in random fashion by sophisticated equipment that scanned trunk lines. The equipment reportedly looked for electronic indications that an attempt was being made to bypass the system's toll-charge mechanism.

Executives who ran the monitoring program believed the company was within its legal rights but were afraid its image might be damaged if word leaked to the public, a source knowledgeable about internal operations of the Bell System said.

The program, or at least the

details of it, was unknown to many high-ranking executives even in areas where it was in effect, the source said.

The monitoring equipment, because of physical plant malfunctions, frequently misread calls as having indications of electronic toll frauds, the article said. Also, certain frequency combinations in human speech could have caused the equipment to indicate that fraud was involved, with result that the entire conversation might be taped, according to the report.

The program reportedly went into effect with six units, each able to monitor 100 trunk lines. Each unit could handle about five calls at any given moment, the article said. The program reportedly began with two units each in New York and Los Angeles and single units in Miami and Detroit.

One of the New York units subsequently was taken out of service and the other unit was assigned to Newark, the article said, and early in 1967 the Detroit unit was transferred to St. Louis.